



## **TOWN OF DEEP RIVER Special Town Meeting**

June 29, 2021

A Special Town Meeting was held on Tuesday, June 29, 2021 in the Richard H. Smith Town Hall Auditorium. The meeting was attended by the Board of Selectmen including First Selectman Angus McDonald and Selectmen Duane Gates and Jim Olson. Also in attendance were the Town Clerk and approximately 50 residents including representatives of the Fire Department.

First Selectman Angus McDonald called the meeting to order at 7:00 PM. Duane Gates made a motion to appoint Angus McDonald as moderator which was seconded by Jim Olson. The motion was approved unanimously. McDonald appointed Amy Winchell to act as clerk of the meeting.

A motion to waive the reading of the call was made by Kate Cryder and seconded by Gary Clark. The motion was approved.

Motion to approve Item #1 was made by Lori Guerette and seconded by Kate Cryder.

### **ITEM 1. - To discuss and vote on a Resolution:**

- (a) To increase the \$700,000 appropriation approved at the May 17, 2021 Annual Town Meeting for the purchase of a new fire truck, by \$100,000, to \$800,000;**
- (b) To finance the appropriation by issuing the Town's bonds, notes or other obligations in an amount not to exceed \$800,000;**
- (c) To authorize the First Selectman and Treasurer to determine the terms, conditions, and other details of the bonds, notes or other obligations;**
- (d) To take actions under applicable Internal Revenue Service regulations to allow the Town to make temporary advances of available funds and reimburse the advances from the proceeds of borrowings and to issue the bonds, notes or other obligations on a tax-exempt basis; and**
- (e) To authorize the First Selectman to enter into contracts for the purchase of the fire truck and authorize Town officials and employees to take all other actions necessary to complete the**

**purchase and issue the bonds, notes or other obligations to finance the appropriation.**

DISCUSSION: McDonald explained that the recently approved budget F/Y 2021-2022 included \$700,000 which was the estimated cost for a new fire truck. They received several quotes, all of which were over that approved amount. It was determined the truck we need will cost \$750,000 plus an additional amount in excess of \$40,000 for necessary equipment installed. We will be purchasing the truck from a CT based firm and the old truck will be sold or donated to another town. Bruce Chudwick, our bond counsel, noted that the truck will be purchased with a long term loan so Section 3 of the Resolution (attached) won't apply. Gary Clark noted members of our Fire Department are all volunteers and it would cost the town much more if we paid them. Jane Samuels asked why the purchase had been put off and why enough wasn't put in the budget. McDonald noted the amount in the budget was an estimate and the purchase of the truck had not been put off; rather pursuance of a grant and uncertainty due to COVID-19 prevented earlier purchase of the truck.

There being no further discussion, a voice vote was held. **The motion was approved unanimously.**

Motion was made by Jim Olson and seconded by Kate Cryder to adjourn. The motion was approved and the meeting was adjourned at 7:09 PM.

ATTEST: Amy M. Winchell, MCTC, Town Clerk

**RESOLUTION TO INCREASE THE \$700,000 APPROPRIATION APPROVED AT THE MAY 17, 2021 ANNUAL TOWN MEETING FOR THE PURCHASE OF A NEW FIRE TRUCK, BY \$100,000, TO \$800,000, AND AUTHORIZE THE TOWN TO ISSUE ITS BONDS, NOTES OR OTHER OBLIGATIONS IN AN AMOUNT NOT TO EXCEED \$800,000 TO FINANCE THE APPROPRIATION**

**BE IT RESOLVED:**

SECTION 1. That the Town of Deep River increase the \$700,000 appropriation approved at the May 17, 2021 Annual Town Meeting for the purchase of a new fire truck, by \$100,000, to \$800,000. The appropriation may be expended for the purchase costs and related equipment, legal and administrative fees, interest expense on temporary borrowings, and other costs related to the purchase. The Board of Selectmen may reduce the scope of the purchase if funds are insufficient to complete the entire purchase, and the entire appropriation may be spent on the reduced purchase.

SECTION 2. That the Town finance the appropriation by issuing Town bonds, notes or other obligations in an amount not to exceed \$800,000. The bonds, notes or other obligations shall be issued pursuant to the Connecticut General Statutes, as amended. The bonds, notes or other obligations may be sold as a single issue or consolidated with any other authorized issues of bonds or notes of the Town. The Treasurer shall keep a record of the bonds, notes or other obligations. The bonds, notes or other obligations shall be signed in the name and on behalf of the Town by the First Selectman and Treasurer and shall bear the Town seal or a facsimile thereof. The bonds, notes or other obligations shall each recite that every

requirement of law relating to its issue has been fully complied with, that such bonds, notes or other obligations are within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon. The terms, details and particulars of such bonds, notes or other obligations shall be determined by the First Selectman and Treasurer. The bonds, notes or other obligations shall be sold by the First Selectman and Treasurer at public sale or by negotiation, in their discretion.

SECTION 3. That the First Selectman and Treasurer are authorized to issue temporary notes in anticipation of the receipt of the proceeds of said bonds, notes or other obligations. The temporary notes shall be signed by the First Selectman and Treasurer and shall bear the Town seal or a facsimile thereof, shall be issued with maturity dates in accordance with the Connecticut General Statutes, as amended, and shall each recite that every requirement of law relating to its issue has been fully complied with, that such note is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon. The net interest cost on such bonds, notes or other obligations, and the expense of preparing, issuing, and marketing them, to the extent paid from the proceeds from the issuance of the bonds, notes or other obligations, shall be included as a cost of the appropriation.

SECTION 4. That the Town hereby declares its official intent under Treasury Regulation Section 1.150-2 of the Internal Revenue Code of 1986, as amended, that the purchase costs may be paid from temporary advances of available funds and that the Town reasonably expects to reimburse any such advances from the proceeds of borrowings in an aggregate principal amount not in excess of the amount of borrowing authorized for the purchase; that the First Selectman and Treasurer are authorized to bind the Town pursuant to such representations and agreements as they deem necessary or advisable in order to ensure and maintain the continued exemption from federal income taxation of interest on the bonds, notes or other obligations authorized by this resolution, if issued on a tax-exempt basis, including covenants to pay rebates of investment earnings to the United States in future years; and that the First Selectman and Treasurer are authorized to make representations and agreements for the benefit of the holders of the bonds, notes or other obligations to provide secondary market disclosure information and to execute and deliver on behalf of the Town an agreement to provide such information with such terms and conditions as they, with the advice of bond counsel, deem necessary and appropriate.

SECTION 5. That the First Selectman is authorized to enter into contracts for the purchase of the fire truck on behalf of the Town and to approve expenditures for said purchase.

SECTION 6. That the First Selectman is authorized to execute and deliver any documents or agreements for and on behalf of the Town for the purchase, and the Board of Selectmen, Treasurer and other Town officials and employees are authorized to take all actions necessary and proper to complete the purchase and to issue the bonds, notes or other obligations to finance the appropriation.